or purchase of houses in India for residential purpose; and

(b) if so, what are the reasons for not permitting the approval u/s 36(1) (viii) of the income-Tax Act, 1961 to some financial corporations/public companies which are engaged in the construction of residential houses and which are providing long-term finance to help the lower and middle class of people?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) Yes, Sir. provided the public company/financial corporation is approved by the Central *Government* for the purpose of Section 36(1) (viii) of the Income Tax Act.

(b) The reason for not including financial corporations/public companies which, are engaged in constructing residential houses u/s 36(1) (viii) of the Income-tax Act, 1961 is that the construction, activity is highly profitable and it does not require any fiscal incentive The activity of providing finance on long-term basi^ for the constructf.on/purchase of residential houses/flats, not being a profitable activity, fiscal incentive u/s 36(1)(viii) of the Income-Tax Act, 1961 has been provided. Even such companies which are engaged in constructing residential houses and providing long term finance for construction/purchase of residential houses/flats have not been extended this fiscal incentive as in their case, the activity of providing long term finances is only incidental to their main activity of construction/ sale of residential houses/flats.

Preaching of communal hatred

3266. DR. MOHD. HASHIM KIDWAI; Will the Minister of HOME AFFAIRS be pleased to state;

(a) the number of persons arrested in the country, Statewise and Union Territorywise for delivering speeches preaching communal ha[f]red or for writings preaching hatred among various communities in the country during year 1986 and so far during the current year; and

(b) the number of persons convicted for delivering highly inflammatory and provocative speeches and highly objectionable writings, State-wise and Union Territory-wise, during these years?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND . PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM); (a) and (b) A statement showing the number of persons arrested/convicted State-wise/U.T. wise, for preaching communal hatred during 1986-87 is enclosed *(See* below). Information in respect of the remaining S'tates]UTs' is being collected and it would be laid on the Table of the House.

Statement

SI, No.	States/UTs	No. of persons arrested	No. of persons convicted.
	States		
1	Haryana	5	
2	Andhra Prakesh	3	
3	Sikkim		
4	Manipur		
5	Tripura		
6	Goa		
7	Mizoram		
	B. U*T Admns,*		
1	Delhi	83	
2	Chandigarh	*24*	
3	Andaman & Nicobar Islands		
4	Pondicherry	51	
5	Dadra & Nagar Haveli		
6	Lakshadweep		